
Indigenous Energy Projects (IEP) Program

Program Guidelines
Version 2.0
October 2020

IEP Program resources available at:

[IESO website - IEP](#)

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1. Background

Since 2009, the Independent Electricity System Operator (“IESO”) (previously, the Ontario Power Authority) has designed, administered and managed a portfolio of Energy Support Programs (“ESPs”) to promote community energy security and inclusive participation in Ontario’s energy sector. More information about the ESPs can be found at [the IESO website](#).

The IESO regularly conducts reviews of its ESPs, informed by feedback from communities and program recipients. In 2020, the IESO conducted a survey to obtain input on the existing ESPs and subsequently engaged with communities and stakeholders to discuss and seek feedback on the proposed redesign of the ESPs. The redesigned portfolio of ESPs seeks to increase program accessibility, transparency and clarity of IESO expectations and targets while demonstrating the IESO’s commitment to supporting Indigenous capacity and participation in the energy sector.

2. Program Objectives

The objective of the IEP Program is to support equitable access to project partnerships and development leading to clean, reliable and affordable supply-side solutions for First Nation and Métis Communities, and First Nation and Métis Organizations.

The IEP Program provides funding to support:

- the assessment and development of renewable energy projects;
- the assessment and development of partnerships for renewable energy projects and transmission projects; and
- innovative supply-side solutions to important challenges that support the IESO’s focus on reliability and cost-effectiveness. This can be demonstrated through emerging technologies, new business models, new practices/regulatory/policy constructs, and existing solutions that are used in novel ways.

When seeking funding under the IEP Program, applicants are encouraged, but not required, to have a Community Energy Plan (CEP) prior to applying to the IEP Program in order to link the project with long-term community energy visioning. Where applicants have a CEP, the following data is required to be included in the application: baseline energy data and energy profile, and justification of project for future community energy development. This data requirement will not apply to transmission projects.

3. Eligibility Criteria

a. Eligible Applicants

- First Nation or Métis Communities;
- First Nation or Métis Organizations (including Friendship Centres, Indigenous housing providers, and others); and

Funding is not provided to individuals. Joint applications for a shared single project may be submitted by two or more eligible applicants. Applicant eligibility for the IEP Program is determined in the sole and absolute discretion of the IESO or the Ministry of Energy, Northern Development and Mines, as applicable.

Please see section 6 below for definitions of key eligibility terms.

b. Eligible Projects and Funding

All applications to the IEP Program must fit within one of the IEP Program streams in the table below. The maximum amount of funding provided for a project funded under the IEP Program will be the lesser of 80% of the total project costs and the maximum funding amounts set out below. Multiple applications can be made to the IEP Program; however, recipients are only eligible to receive up to \$200,000 per calendar year from the IEP Program.

Stream	Maximum Funding Amount per Project	Requirements
<p>Projects and Partnerships</p> <p><u>Project Development</u>: Eligible Expenses associated with the assessment and development of renewable energy projects by First Nation or Métis Communities or First Nation or Métis Organizations, on their own or in partnership with a third party. For the purposes of the IEP Program, project development includes operations and maintenance, minor capital renewable projects (e.g. rooftop solar), or major capital renewable projects (e.g. solar microgrid).</p> <p><u>Feasibility Study</u>: Eligible Expenses associated with permitting, technical and design assessments, economic assessments, or diesel offset or technology assessments.</p> <p><u>Partnerships</u>: Eligible Expenses associated with due diligence work required to assess and develop opportunities for First Nation or Métis Communities or First Nation or Métis Organizations to participate in: (a) partnerships in new or existing renewable energy projects; or (b) partnerships with licensed transmitters or entities seeking to become licensed transmitters, in future transmission facilities that have been included in regional plans, bulk system plans or the LTEP, and for which the Ministry of Energy, Northern Development and Mines has determined it prudent to commence development work, including but not limited to the East-West Tie expansion line, the transmission line to</p>	<p>Project Development: Up to \$150,000</p> <p>Feasibility Study: Up to \$25,000</p> <p>Partnerships: Up to \$50,000</p> <p>(*Provided that the maximum funding under this stream does not exceed \$150,000)</p>	<p>If the First Nation or Métis Community, or First Nation or Métis Organization has a Community Energy Plan (CEP), applications to IEP under this stream for “Project Development”, “Feasibility Study” and “Partnerships” option (a) must include the following CEP data: baseline energy data and energy profile, and justification of project for future community energy development.</p> <p>If the First Nation or Métis Community, or First Nation or Métis Organization has a CEP, applications to IEP under this stream for “Partnerships” option (b) are not</p>

Stream	Maximum Funding Amount per Project	Requirements
Pickle Lake, the Northwest Bulk Transmission Line (Waasigan Transmission Line), remote community connections, or others that may be identified to the IESO by the Minister of Energy.		required to include the above noted CEP data.
<p>Innovation</p> <p>Funding support for the demonstration and deployment of innovative delivery models and/or technologies related to renewable energy projects. For the purposes of the IEP Program, this can be demonstrated through emerging technologies, new business models, new practices/regulatory/policy constructs, and existing solutions that are used in novel ways.</p>	Up to \$200,000	If the First Nation or Métis Community, or First Nation or Métis Organization has a Community Energy Plan (CEP), applications to IEP under this stream must include the following CEP data: baseline energy data and energy profile, and justification of project for future community energy development.

c. Eligible and ineligible Expenses

Additional criteria regarding Eligible Expenses and a list of Ineligible Expenses are set out in the Funding Agreement, which must be signed by all successful applicants in order to receive funding.

Eligible Expenses

Funding is provided under the IEP Program for Eligible Expenses that are directly related and reasonably necessary to complete the project. Eligible Expenses can include costs associated with activities carried out by:

- duly qualified internal resources, and includes the salary, wages and benefits, contributions, assessments and taxes paid to internal resources, and
- duly qualified external resources (i.e., professional and technical consultants and contractors)

Ineligible Expenses

Funding is not provided under the IEP Program for Ineligible Expenses, which include:

- Costs that are not directly related to the project;

- Costs related to activities for which funding was received in relation to the project from another source;
- Costs that the applicant or joint applicant(s) did not directly incur;
- Costs incurred, or relating to any activity, matter or thing carried out before October 26, 2017, or after the end of, the Funding Agreement;
- Costs associated with meeting the administrative obligations of the application or Funding Agreement under the IEP Program or any other IESO program, including preparing status and other reports as may be required under the Funding Agreement;
- Costs associated with submitting the application, or applications or proposals under any of the IESO programs, or entering into a funding agreement under any of the IESO programs;
- Costs related to meetings with or the lobbying of any governmental authority or the IESO;
- Costs associated with the use of personal devices (e.g. personal mobile or landline phones, laptops or internet service provider fees, etc.);
- Costs related to administrative operating expenses such as real estate expenses, insurance, utilities, memberships, dues, subscriptions, accounting, or maintenance of equipment;
- Costs incurred that are not evidenced by the Activities and Deliverables, including the any other documentation required by the Funding Agreement, or other evidence of having been incurred satisfactory to the IESO, in its sole and absolute discretion;
- Costs not approved by the IESO as part of the application and budget, unless otherwise agreed to in writing by the IESO, in its sole and absolute discretion;
- Costs for travel, hospitality or meals that do not comply with the [Ontario Travel, Meal and Hospitality Expenses Directive](#);
- Costs that in the IESO's view, in its sole and absolute discretion, materially deviate from the approved application with respect to the activities, work plan, budget, project team, timelines or project description; and
- Costs in respect of HST.
- any amounts paid to a governmental authority, including fees paid for governmental certifications;
- Partnership-related costs incurred after the applicant's acquisition of an economic interest in a renewable energy project partnership or transmission project partnership;
- Costs associated with participating in Ontario Energy Board ("OEB") proceedings related to an electricity transmission project; and
- Costs incurred after the OEB designates a transmitter to develop an electricity transmission project, if the designated transmitter is not the applicant or its proposed project partner (or their affiliate).

4. Application Process

a. Background

The IEP Program accepts submissions on an ongoing basis, with application review dates spread throughout the year. The application review dates will be posted online at [the IESO website](#). Before applying to the IEP Program, applicants should review these IEP Program Guidelines and the Funding Agreement carefully, and are encouraged to seek independent legal and other professional advice, as needed.

The IEP Program application development process is supportive. Applicants should contact IEP Program staff with any questions at iep@ieso.ca or (416) 969-6317. IEP Program staff will be available to provide feedback and guidance throughout application development. As a condition of funding support, the IESO may require changes to the project scope, design or budget, and may ask for additional information or references. Please allow sufficient time for application review and feedback prior to submittal of your final application.

b. Application Submission

All applications must be in the form provided by the IESO, which can be found on [the IESO website](#). Please submit your application to iep@ieso.ca. Please refer to Appendix A for additional details regarding the application process and evaluation timelines. Applicants are encouraged to contact IEP Program staff prior to submitting an application.

5. Application Evaluation

Applications that meet the completeness and eligibility requirements of the IEP Program are assessed by a review committee comprised of IESO staff that are not responsible for the delivery and oversight of the ESPs, including the IEP Program. The review committee makes funding recommendations to the IESO. Final funding decisions are made by, and are at the discretion of, the IESO.

Funding decisions are based on the extent to which a proposed project addresses community energy needs and the degree to which it satisfies the IEP Program application review criteria outlined immediately below:

Review Criteria	Description
Strategic fit	Will the project enhance First Nation or Métis energy-related capacity and leadership and support supply-side solutions that contribute to cleaner, more reliable and more affordable energy systems for First Nations and Métis? Where applicable, does the project relate directly to an existing Community Energy Plan (CEP) and the short and long-term energy vision of the community or organization?

Review Criteria	Description
Community benefit, need, and support	How does the project benefit the community? Is there an identified need for the project (as identified through a CEP, where applicable)? Has a document expressing community support (Band Council Resolution, board resolution etc.) been included in the application?
Project team and partners	Does the project team have the qualifications and experience required to execute the project? Is there evidence of strong and appropriate partnerships if applicable?
Financial feasibility	Is the budget for the project detailed, reasonable and justified? Have revenue sources for costs outside of those assigned to the IEP Program funding been identified and secured?
Project purpose and outcomes	Are the project's purpose and intended outcomes clearly articulated? Is the plan to realize and evaluate the project outcomes sufficiently detailed and reasonable? If applying to the Innovation stream, is the project sufficiently innovative? Will it provide a novel solution? Will the project address a gap?

6. Key Definitions

Key Term	Description
First Nation or Métis Community	means, for the purposes of the IEP Program: <ul style="list-style-type: none"> a) a First Nation in Ontario that is a “band” as defined in the Indian Act (Canada); b) the Métis Nation of Ontario or any of its active Chartered Community Councils; or c) a Person, other than a natural person, that has previously been determined by the Government of Ontario to represent the collective interests of a community that is composed of First Nation or Métis individuals.
First Nation or Métis Organization	means, for the purposes of the IEP Program, an organization that, as determined in the sole and absolute discretion of the IESO, represents the interests of more than one First Nation or Métis Community, or was established to provide key services to one or more First Nation or Métis Communities or members of one or more First Nation or Métis Communities.

Key Term	Description
Funding Agreement	means the agreement that successful applicants must sign in order to be eligible to receive funding under the IEP Program.

7. General

- a. Receipt of an application to the IEP Program does not constitute a commitment by the IESO to support the application, nor does it create a business relationship between the applicant, its partners and the IESO.
- b. The approval of the IEP Program review committee is required prior to the IESO being able to offer a Funding Agreement to the applicant.
- c. Financial support from the IESO to an applicant to the IEP Program will only be provided upon execution of the Funding Agreement between the applicant and the IESO, and only according to the terms and conditions therein.
- d. Any financial support provided to an applicant under the IEP Program does not create a relationship of principal and agent between IESO and the applicant. Further, the applicant has no authority to create any such relationship or related obligation, express or implied, in the name of or on behalf of, the IESO.
- e. The IESO reserves the right to make public the names of applicants, the title and a description of their proposed project, and the amount of funds applied for. All other information submitted by the applicant in its application will also be treated as non-confidential unless clearly labelled as confidential by the applicant.
- f. In the event of any conflict or inconsistency between the IEP Program Guidelines and any Funding Agreement entered into, the provisions of the Funding Agreement govern.
- g. The IESO reserves the right to:
 - 1. cap the amount of funding provided under the IEP Program in any year; and
 - 2. revise the IEP Program Guidelines and standard form of Funding Agreement template from time to time.

Appendix A – Application Process

Steps	Evaluation Criteria and Timeline
Step 1: The Application	<p>The Program Guidelines will help you understand what you need to do. Please thoroughly review it and the application template prior to starting an application. We're here to support you if you have questions. We encourage you to contact us before you begin your application at iep@ieso.ca</p>
Step 2: Application Submission	<p>Submit your application to iep@ieso.ca by November 13th, 2020 at 11.59PM EST.</p> <p>Please be sure to PDF all materials where possible, and ensure you have double checked the submission checklist in the application.</p> <p>Late or incomplete application submissions will not be accepted, unless the IESO has been notified in advance of the intake deadline and agreed to accept an application submission after the intake deadline.</p>
Step 3: Initial Review	<p>Within 30 business days of receiving the application, we will do our best to review it for completeness and eligibility. A clarification and feedback period may be included as part of the initial review to request additional information or amendments to the application.</p> <p>If your application passes the completeness and eligibility review, we will give it a validated time stamp, and communicate to you that it has been accepted for further consideration.</p>
Step 4: Review Committee	<p>Next, the application will be reviewed by an internal review committee based on the criteria outlined in the Program Guidelines. This can include project scope, feasibility, project team and other considerations related to the program.</p>
Step 5: Funding Agreement	<p>If your application is successful, you will be notified by email at the end of Q4 2020 and offered a Funding Agreement with the IESO (see a sample Funding Agreement) in Q1 2021.</p>

**Independent Electricity
System Operator**

1600-120 Adelaide Street West
Toronto, Ontario M5H 1T1

Phone: 905.403.6900

Toll-free: 1.888.448.7777

E-mail: customer.relations@ieso.ca

ieso.ca

 [@IESO_Tweets](https://twitter.com/IESO_Tweets)

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